JUDSON H. HILL, ESQ.

August 23, 2019

BY ECFS

Marlene Dortch, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: <u>Sage Telecom Communications, LLC and Telecome Communications, Inc. d/b/a</u> TruConnect Notice of Oral Ex Parte Presentation; WC Docket No.17-287, 11-41, 10-90 and 18-213.

Dear Ms. Dortch:

On August 21, 2019 I, counsel to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively TruConnect) met with Chairman Ajit Pai, and his Wireline Advisor Nirali Patel; and with Commissioner Michael O'Rielly; and thereafter with the Chief of the Telecommunications Access Policy Division, Ryan Palmer (by telephone), and Rashann Duval and Darren Fernandez, Attorney Advisors in the Wireline Competition Bureau to discuss the pending Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study filed by CTIA, the National Consumer Law Center, National Hispanic Media Coalition, OCA – The Asian Pacific American Advocates and the United Church of Christ, OC, Inc. ¹ and the Commission's Promoting Telehealth for Low-Income Consumers Notice of Proposed Rule Making. ²

In the meeting with the Chairman and Commissioner I discussed our strong support for the pending Joint Petition and reminded them that TruConnect recently filed supportive comments. I emphasized that the record clearly demonstrates the substantial and broad support, which we share, for both proposals advocated for in the Joint Petition – to pause any increases in the mobile broadband minimum service standards and retain full Lifeline support for the standalone voice and voice centric bundles – until the Commission can study the impact of such changes on access to and affordability of Lifeline services for low-income consumers and then report on such findings in the Commission's forthcoming *State of the Lifeline Marketplace Report* due in 2021. I emphasized that the Petition drew no opposition in fact even the National Association of Regulatory Utility Commissioners ("NARUC") unanimously passed a resolution to support the relief requested in the Joint Petition.³

I shared our support of and the importance of both the Commission's Rural Broadband and proposed Telehealth Pilot initiatives plus how critical telecommunications connectivity is to America's economic development and job creation, to access to world class healthcare and also to access to emergency first responders. I also reminded them how many low-income Americans, many elderly and lower income veterans depend on the Lifeline program services for a call back for a job application or access to healthcare providers. I especially emphasized that the success of the Commission's rural

¹ See Joint Petition To Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket No. 11-42 et al. (filed June 27, 2019) ("Joint Petition").

² See Federal Communications Commission Promoting Telehealth for Low-Income Consumers, released by the Federal Communications Commission WC Docket No. 18-213, FCC 18-112 (rel. Aug. 3, 2018).

broadband and especially telehealth pilot could very well be jeopardized by the decline of the Lifeline program participation and the anticipated impact expected by the recently noticed near 500 percent increase (2Gb to 8.75Gb) in the mandated broadband minimum service standards, the minimum required broadband data usage allowance coming December 1, 2019.⁴ During the meetings I noted that at 8.75Gb of data per month a survey of carriers' current mobile broadband retail prices for this amount of monthly data costs approximately \$40 or more per month.⁵ If the FCC Bureau does not immediately act to grant the Petition to prevent this new data standard from going into effect December 2019, then Lifeline subscribers could expect an approximate \$30 per month immediate price increase causing many other eligible subscribers to drop out of the program because they could not afford the increase.

Raising the monthly Lifeline cost three or four times will make the plans unaffordable to many low-income consumers. The neediest of low-income Americans – many Lifeline subscribers – will then lose access to better jobs, healthcare and first responders; and the Commission's telemedicine and rural broadband initiatives will be jeopardized and suffer. I also shared that there are real and immediate consequences to consider. I noted that since the Commission already recognizes the need to conduct a *Lifeline Marketplace Report*, thus the Commission should consider its own reasoning and pause the implementation of the December 2019 minimum standard increase allowing time to make a more informed data supported decision after this Report is conducted and published. I mentioned that there have been numerous changes in technology and the market since the 2016 *Lifeline Modernization Order* creating minimum data standards. I also emphasized that there is not risk or harm to consumers or the Commission in granting the Joint Petition, whereas the alternative is very risky indeed.

Then I emphasized that at the 2Gb data allowance level that Lifeline subscribers can fully utilize telehealth applications. In fact 2Gb is well within the norm for private payers, and in spite of unlimited post-paid data plans, even Verizon Wireless reports that its subscribers use an average between 1 and 2Gb of data per month,⁶ nothing even close to 5, 6 7 or 8Gb per month. I then shared that most current Lifeline mobile wireless offerings are robust and in no way second class. TruConnect and many other Lifeline wireless resellers currently offer 4G LTE handsets.

We also discussed the status of the National Verifier and our strong support combined with support from other industry members to maintain or return to soft launch status, whichever is applicable. I noted that states should not be required to proceed to National Verifier hard launch until the necessary state and federal databases and an API solution is first fully implemented, tested and operational in every state. I emphasized the failure of the verifier in hard launch states and that the dramatic nationwide drop in Lifeline reverification of subscribers in those states coupled with an average decline in enrollments of eighty to ninety percent largely because all the states databases were not accessible. This directly harms the very low-income Americans it was designed to help. Furthermore, eligible subscribers' difficulties enrolling and accessing lifeline services the program was created to offer make it much more difficult for them to find or keep a job, access or participate in the FCC telehealth pilot or access emergency first responders.

³ See Resolutions Passed By The Board of Directors At The 2019 Summer Policy Summit Of The National Association of Regulatory Utility Commissioners (July 24, 2019), specifically TC-1 "Resolution on the Lifeline National Verifier Launch and Minimum Service Standards" ("NARUC Resolution") ¶ 17.

⁴ See Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount, DA 19-704 (July 25, 2019).

⁵ See National Lifeline Association Notice of Oral Ex Parte Presentation, WC Docket Nos. 17-287, 11-42, and 09-197 (dated April 4, 2019) (NaLA Ex Parte) ¶ 9; see also NARUC Resolution ¶ 17.

I acknowledged stated efforts to quickly improve the national verification process. However, for these reasons and those previously states in TruConnect filings, I emphasized the critical and immediate need to suspend the hard launches in states and revert existing hard launch states to soft launch to provide time to confirm secure and operable access to all state databases. Although gradual improvements such as "opening" of state databases helps, what is best is to suspend and ensure the verifier truly works as intended.

During my meeting with the Wireline Competition Bureau staff we discussed the possible focus of the upcoming telehealth pilot and how to not only offer virtual telemedicine care to patients, but also how those patients can best access needed healthcare services. The backbone of telehealth or virtual healthcare services is the ability for a patient to use mobile or broadband services to communicate their healthcare issues and concerns with a healthcare provider and to receive the necessary healthcare.

We discussed the structure and possible eligibility requirements for Pilot awardees and participants. I also mentioned that it is well documented that lower income Americans disproportionately both lack telecommunications connectivity, continuity of healthcare services and are more likely to have chronic health conditions. Therefore, I recommended focusing on communities that are either under or un-served communities with telecommunications. In other words, the Pilot's focus should not be on any healthcare provider and the services they can provide; the focus should be on improving patient access and improved wellness and health outcomes incorporating healthcare providers, available communications systems and devices and targeted patients demographics which would maximize the chance for success within a limited time and with limited resources.

I further emphasized that the FCC Lifeline program already exists to give eligible low-income Americans access to telecommunications. I offered that to optimize the Pilot's success, the FCC should allow all existing FCC administered programs, including Lifeline, to be used or participate in the telehealth pilot since these programs already exist. In short, programs like Lifeline can provide patients an important link back to healthcare providers.

I noted that of course Lifeline is not the only solution to target telehealth to low-income Americans. However, Pilot partnerships with non-facilities based ETCs should be allowed. Furthermore, if the Commission designs a telehealth pilot excluding Lifeline or only allows facilities-based ETCs, then taxpayer moneys may be wasted creating or duplicating another low-income American focused program, a Telehealth lifeline 2.0 program, or paying for extra communications devices for low income Lifeline eligible customers when many of these customers already have the telecommunications service the need to have telehealth consultations and receive care.

We concluded our conversations by expressing a desire to actively and constructively help the Commission achieve their stated objectives with rural broadband adoption, and offered to help explore best methods to deliver telehealth services and create a Pilot that helps the Commission later design a pilot program that can improve the health and healthcare accessibility for Americans.

I emphasized that to succeed in these objectives the Commission should grant the Joint Petition and suspend the roll-out of the National Verifier hard launch so the populations targeted for these initiatives can fully benefit.

⁶ Q LINK Comments at 12 (citing "Cell Phone & Service Buying Guide," Consumer Reports (last visited July 30, 2019)

Pursuant to section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

Respectfully submitted,

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cc: Chairman Ajit Pai

Commissioner Michael O'Rielly

Nirali Patel Ryan Palmer Rashann Duval Darren Ferandez